

Marathon Oil and Partners Announce Approval for Atrush Development in the Kurdistan Region of Iraq

HOUSTON, Oct. 7, 2013 (GLOBE NEWSWIRE) -- Marathon Oil Corporation (NYSE: MRO) and its partners announced they have received approval from the Kurdistan Regional Government for the first phase in the oil development of the Atrush block in the Kurdistan Region of Iraq.

The Atrush-1 discovery well was drilled in 2011, and is located approximately 50 miles northwest of Erbil. The development project will consist of drilling three production wells and constructing a central processing facility. Marathon Oil and its partners expect to achieve first production by early 2015 with an estimated initial gross production of approximately 30,000 barrels of oil per day (bpd). The approval of the Field Development Plan for Phase 1 provides for a 25-year production period.

Additionally, the Atrush partners are continuing appraisal activities and preparing to drill a fourth well on the block. Subject to the outcome of appraisal drilling and Government approval, a potential Phase 2 development is expected to include another 30,000-bpd production facility. The partners will also evaluate the feasibility of producing associated natural gas for delivery to the domestic market.

"Marathon Oil is pleased with the progress that has been made to advance the development of the Atrush discovery," said Mitch Little, Marathon Oil vice president of International and Offshore Production Operations. "Approval of the Atrush Phase 1 Development Plan is an important milestone and confirmation of the significant resource potential that prompted our entry into the region in late 2010."

Marathon Oil's wholly owned subsidiary Marathon Oil KDV B.V. holds a 15 percent working interest in the Atrush block. TAQA Atrush B.V., a subsidiary of TAQA, is the operator with a 39.9 percent working interest; ShaMaran Petroleum Corp. holds a 20.1 percent working interest through its wholly owned subsidiary ShaMaran Ventures BV (100 percent owner of General Exploration Partners, Inc.); and the Kurdistan Regional Government holds a 25 percent working interest.

Marathon Oil's asset portfolio in the Kurdistan Region of Iraq includes a 25 percent non-operated working interest in the Sarsang Block, as well as a 45 percent working interest in both the Harir and Safen Blocks in which Marathon Oil is the operator.

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This release contains forward-looking statements with respect to the Atrush Block, including the planned Phase 1 development project, expected timing and rates of production for Phase 1, anticipated appraisal and drilling activity, and the potential development of Phase 2.

Factors that could potentially affect the planned Phase 1 development project and anticipated appraisal and drilling activity in the Atrush Block include pricing, supply and demand for liquid hydrocarbons and natural gas, the amount of capital available for exploration and development, regulatory constraints, timing of commencing production from new wells, drilling rig availability, availability of materials and labor, other risks associated with construction projects, the inability to obtain or delay in obtaining necessary government or third-party approvals and permits, unforeseen hazards such as weather conditions, acts of war or terrorist acts and the governmental or military response thereto, and other geological, operating and economic considerations.

The expected timing and rate of production for Phase 1 and the potential development of Phase 2 are based on current expectations, good faith estimates and projections and are not guarantees of future performance. The development of Phase 2 is further subject to obtaining necessary government and third-party approvals.

The foregoing factors (among others) could cause actual results to differ materially from those set forth in the forward-looking statements. In accordance with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, Marathon Oil Corporation has included in its Annual Report on Form 10-K for the year ended December 31, 2012, and subsequent Forms 10-Q and 8-K, cautionary language identifying other important factors, though not necessarily all such factors, that could cause actual results to differ materially from those set forth in the forward-looking statements.

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